

STAND. COM. REP. NO. **663**

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1208

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 1208 entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT
SYSTEM,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the
Employees' Retirement System Board of Trustees to hold a meeting
closed to the public to have discussions or make decisions
relating to:

- (1) Investments or prospective investments by the System
that require consideration of information or records
that are exempt from disclosure under chapter 92F,
Hawaii Revised Statutes (HRS);
- (2) Procurements that are exempt from chapter 103D, HRS, to
the same extent as if the decision would be confidential
if the procurement were subject to chapter 103D, HRS;
- (3) The authority of persons to negotiate investments or the
sale of property held by or for the benefit of the
Employees' Retirement System; and
- (4) Draft reports, memoranda, and preliminary
recommendations from staff, consultants, actuaries, and
other agencies.



Your Committee received testimony in support of this measure from the Employees' Retirement System. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Office of Information Practices and Civil Beat Law Center for the Public Interest.

Your Committee finds that the Board of Trustees of the Employees' Retirement System have a fiduciary duty to invest funds for the benefit of the System and its members. On many occasions, this may require that the Board of Trustees review and consider confidential or proprietary information relating to investments. Your Committee finds that in appropriate situations, it would be beneficial for the Board to be able to review and consider such information in executive session.

Your Committee has amended this measure by:

- (1) Removing the description of the privilege in subsection (a)(4) of the new section to be inserted in chapter 88, HRS, as a deliberate process privilege;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1208, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1208, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



GILBERT S.C. KEITH-AGARAN, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 1208</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">JDL</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">3/3/15</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike	✓			
IHARA, Jr., Les	✓			
THIELEN, Laura H.	✓			
SLOM, Sam	✓			
TOTAL	7			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-left: 100px;">[Signature]</div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes